



October 26, 2015

By Electronic Mail

**For the State of Montana**

William B. Kirley  
Department of Environmental Quality  
1100 N. Last Chance Gulch  
P.O. Box 200901  
Helena, Montana 59620-0901

Mary Capdeville  
Montana Department of Justice  
1301 Lockey Avenue  
P.O. Box 201425  
Helena, Montana 59620-1425

**For the United States**

Alan Tenenbaum/Elliott Rockler  
Environmental Enforcement Section  
Environment & Natural Resources Div.  
U. S. Department of Justice  
P.O. Box 7611  
Ben Franklin Station  
Washington, D.C. 20044-7611

Chuck Figur  
Senior Attorney  
US EPA Region 8 (ENF-L)  
1595 Wynkoop Street  
Denver, CO 80202-1129

Deb Thomas  
Deputy Regional Administrator  
US EPA Region 8—Montana Office  
10 West 15th Street Suite 3200  
Helena, MT 59626

Dana Jacobsen  
Department of the Interior  
Office of the Solicitor  
2850 Youngfield Street  
Lakewood, Colorado 80215

Amy L. Horner  
Department of the Interior  
Environmental Restoration Branch  
Division of Parks and Wildlife  
Office of the Solicitor  
1849 C St NW MS 3210  
Washington, DC 20240

Robert Kirkpatrick  
Deputy Director, Engineering, Fleet,  
Geospatial Services & Sustainable  
Operations  
USDA Forest Service  
5785 HWY 10 West  
Missoula, MT 59808

Dear Ladies and Gentlemen:

As Trustee for the Montana Environmental Custodial Trust (the Custodial Trust), Montana Environmental Trust Group LLC, hereby submits the attached financial statements for the following Custodial Trust Accounts to the beneficiaries of the Custodial Trust:

- (1) The Custodial Trust Administrative Account;
- (2) The East Helena Cleanup Account;
- (3) The Mike Horse/Upper Blackfoot Mining Complex Cleanup Account
- (4) The Black Pine Cleanup Account; and
- (5) The Iron Mountain Cleanup Account



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Beneficiary Letter

The attached financial statements cover the quarter ending June 30, 2015 and are submitted pursuant to the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

Greenfield Environmental Trust Group, Inc.  
Montana Environmental Trust Group  
Trustee of the Montana Environmental Custodial Trust

Attachments

cc:

Betsy Burns—EPA-8  
Cynthia Brooks—METG  
Jennifer Roberts—METG  
Joe Vranka—EPA-8  
Justin Mosness—Wipfli  
Lauri Gorton—METG  
Marc Weinreich—METG  
Nathan D McCarthy— Wipfli

## Accountants Compilation Report

To the Trustees and Beneficiaries  
Montana Environmental Trust Group LLC,  
Trustee for Montana Environmental Custodial Trust  
Helena, MT

We have compiled the accompanying statement of financial position of; the Custodial Trust Administrative Account, the East Helena Cleanup Account, the Mike Horse/Upper Blackfoot Mining Complex Cleanup Account, the Black Pine Cleanup Account and the Iron Mountain Cleanup Account as of June 30, 2015, and the related statement of activities for the quarter and six month period then ended included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the form prescribed by the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites) and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the trustees in presenting financial information in the form of financial statements as prescribed by the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites) without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements are presented in accordance with the requirements of the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites), which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The form prescribed by the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites) omits substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Montana Environmental Custodial Trust.

*Wipfli LLP*

Wipfli LLP  
October 26, 2015

**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**  
STATEMENT OF FINANCIAL POSITION

*As of June 30, 2015*

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ASSETS

Current assets

Cash, First Interstate Bank	\$ 8,074.28
Prepaid Insurance (Included in 2015 Budget)	-
Due from other cost centers	12,564.25
Total current assets	<u>20,638.53</u>

Investments, JP Morgan Chase

Total assets	<u>6,651,128.59</u> <u><u>\$ 6,671,767.12</u></u>
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LIABILITIES AND NET ASSETS

Accounts payable	\$ 29,150.57
Due to other cost centers	-
	<u>29,150.57</u>

Net assets

Total net assets and liabilities	<u>6,642,616.55</u> <u><u>\$ 6,671,767.12</u></u>
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**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**

STATEMENT OF ACTIVITIES

*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Investment income, net of fees	\$ 17,984.28	\$ 25,812.28			
Unrealized gains (losses)	(10,164.00)	23,142.00			
Total revenues (losses)	7,820.28	48,954.28			
Expenses:					
1.A Financial Affairs					
1.A.1 Wipfli LLP	4,350.29	10,730.21	36,000.00	(25,269.79)	29.81%
1.C Property Taxes					
1.C.1 East Helena	52,438.18	52,771.88	166,287.00	(113,515.12)	31.74%
1.C.2 UBMC-Mike Horse	1,034.77	1,034.77	3,511.00	(2,476.23)	29.47%
1.C.3 Black Pine	2,726.44	2,726.44	7,264.00	(4,537.56)	37.53%
1.C.4 Iron Mountain	147.79	147.79	379.00	(231.21)	38.99%
1.C Property Taxes Total	56,347.18	56,680.88	177,441.00	(120,760.12)	31.94%
1.F Site Security					
1.F.1 East Helena	6,370.50	9,426.88	31,503.00	(22,076.12)	29.92%
1.F.2 UBMC-Mike Horse	715.00	715.00	49,641.00	(48,926.00)	1.44%
1.F.3 Black Pine	4,500.72	9,892.11	20,184.00	(10,291.89)	49.01%
1.F.4 Iron Mountain	-	-	-	-	0.00%
1.F Site Security Total	11,586.22	20,033.99	101,328.00	(81,294.01)	19.77%
1.G Insurance					
1.G.1 Commercial General Liability	-	47,265.00	52,000.00	(4,735.00)	90.89%
1.G.2 Vehicle-Equipment Insurance	(1,204.00)	3,512.00	7,343.00	(3,831.00)	47.83%
1.G.3 Property Insurance	23,456.25	23,456.25	24,629.00	(1,172.75)	95.24%
1.G Insurance Total	22,252.25	74,233.25	83,972.00	(9,738.75)	88.40%

**Montana Environmental Custodial Trust**  
**Custodial Trust Administrative Account**

STATEMENT OF ACTIVITIES

*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
1.H Trust Legal Affairs					
1.H.1 Outside Council	205.00	205.00	4,914.00	(4,709.00)	4.17%
1.H.2 Records Segregation Costs	-	-	2,450.00	(2,450.00)	0.00%
1.H.3 GETG Professional Fees	3,898.25	4,010.75	4,950.00	(939.25)	81.03%
1.H.4 Water Rights	-	-	4,800.00	(4,800.00)	0.00%
1.H Trust Legal Affairs Total	4,103.25	4,215.75	17,114.00	(12,898.25)	24.63%
1.I Unpatented Mining Claim Maint.					
1.I.1 Fees for Unpatented Mining Claims	-	-	54,683.00	(54,683.00)	0.00%
1.K Property Sales					
1.K.1 East Helena	6,076.25	18,422.00	61,569.00	(43,147.00)	29.92%
1.L Trustee Costs					
1.L.1 Trustee Fees	5,202.00	8,414.00	34,180.00	(25,766.00)	24.62%
1.L.2 Trustee Expenses	-	-	5,000.00	(5,000.00)	0.00%
1.L Trustee Costs Total	5,202.00	8,414.00	39,180.00	(30,766.00)	21.48%
Total expenses	109,917.44	192,730.08	571,287.00	(378,556.92)	33.74%
Change in net assets	(102,097.16)	(143,775.80)	<u>\$ (571,287.00)</u>		
Net assets, beginning of period	6,744,713.71	6,786,392.35			
Net assets, end of period	<u>\$ 6,642,616.55</u>	<u>\$ 6,642,616.55</u>			

**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of June 30, 2015*

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ASSETS

Current assets

Cash, First Interstate Bank	\$ 269,290.49
Accounts receivable - Asarco documents	2,777.54
Due from other cost centers	50.00
Total current assets	<u>272,118.03</u>

Investments, JP Morgan Chase

Total assets	<u>71,220,229.96</u> <u><u>\$ 71,492,347.99</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 1,836,838.25
Retention hold-back payable	55,959.19
Due to other cost centers	6,451.59
Total current liabilities	<u>1,899,249.03</u>

Net assets

Total net assets and liabilities	<u>69,593,098.96</u> <u><u>\$ 71,492,347.99</u></u>
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**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget*	Variance	Percentage of Budget
Revenues:					
2.RNT · Rental Income					
2.RNT.b · Agricultural Tenants	\$ -	\$ -			
2.RNT.c · Slag Pile	-	-			
2.RNT · Rental Income Total	-	-			
Investment income, net of fees	248,210.24	405,176.42			
Unrealized gains (losses)	(182,467.00)	546,226.00			
Total revenues (losses)	65,743.24	951,402.42			
Expenses:					
2.A · Water Treatment Plant					
2.A.1 · WTP O&M	6,395.60	38,694.45	257,375.00	(218,680.55)	15.03%
Total 2.A · Water Treatment Plant	6,395.60	38,694.45	257,375.00	(218,680.55)	15.03%
2.B · General Site Operations					
2.B.1 · Operations & Maintenance	14,174.93	39,135.73	111,850.00	(72,714.27)	34.99%
2.B.2 · Office Operations	3,220.46	3,787.64	21,000.00	(17,212.36)	18.04%
2.B.3 · Safety	4,075.28	14,198.39	25,850.00	(11,651.61)	54.93%
2.B.6 · Emergency Response	-	-	20,000.00	(20,000.00)	0.00%
2.B.7 · Modular Offices	825.00	1,650.00	9,500.00	(7,850.00)	17.37%
Total 2.B · General Site Operations	22,295.67	58,771.76	188,200.00	(129,428.24)	31.23%
2.C · Waste Disposal					
2.C.1 · HDS	-	-	2,000.00	(2,000.00)	0.00%
2.C.2 · Contaminated Debris	-	-	9,650.00	(9,650.00)	0.00%
2.C.3 · Other	486.27	765.27	9,550.00	(8,784.73)	8.01%
Total 2.C · Waste Disposal	486.27	765.27	21,200.00	(20,434.73)	3.61%
2.D · Slag Pile Reprocessing	-	-	20,000.00	(20,000.00)	0.00%



**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget*	Variance	Percentage of Budget
2.E · Tenants					
2.E.4 · Other	500.00	500.00	5,700.00	(5,200.00)	8.77%
Total 2.E · Tenants	500.00	500.00	5,700.00	(5,200.00)	8.77%
2.F · RCRA Compliance					
2.F.1 · Reporting	-	175.00	2,000.00	(1,825.00)	8.75%
2.F.2 · Inspections	227.50	455.00	5,000.00	(4,545.00)	9.10%
2.F.5 · CAMU O&M	4,273.05	6,740.55	33,820.00	(27,079.45)	19.93%
2.F.6 · CAMU Final Cap	4,058.66	7,901.01	12,500.00	(4,598.99)	63.21%
2.F.7 · CAMU Leachate Treatment System	-	-	50,000.00	(50,000.00)	0.00%
Total 2.F · RCRA Compliance	8,559.21	15,271.56	103,320.00	(88,048.44)	14.78%
2.I · Risk Assessment					
2.I.1 · HHRA	-	-	25,000.00	(25,000.00)	0.00%
2.I.2 · BERA	-	-	25,000.00	(25,000.00)	0.00%
Total 2.I · Risk Assessment	-	-	50,000.00	(50,000.00)	0.00%
2.J · Interim Measures					
2.J.1 · South Plant Hydraulic Control IM					
2.J.1a · SPHC IM Design	38,132.63	79,274.70	85,000.00	(5,725.30)	93.26%
2.J.1b · SPHC IM Construction	526,772.80	526,895.30	12,190,000.00 *	(11,663,104.70)	4.32%
2.J.1c · SPHC IM O & M	4,340.00	5,810.00	50,000.00	(44,190.00)	11.62%
2.J.1 · SPHC IM Design & Construction	569,245.43	611,980.00	12,325,000.00	(11,713,020.00)	4.97%
2.J.2 · ET Cover System IM					
2.J.2a · ET Cover IM Design	19,061.35	100,924.21	175,000.00	(74,075.79)	57.67%
2.J.2b · ET Cover IM Construction	926,332.33	933,233.96	8,411,150.00 *	(7,477,916.04)	11.10%
2.J.2c · ET Cover System O & M	1,120.00	1,435.00	25,000.00	(23,565.00)	5.74%
2.J.2 · ET Cover IM Design & Construction	946,513.68	1,035,593.17	8,611,150.00	(7,575,556.83)	12.03%
2.J.3 · Source Removal IM					
2.J.3a · Source Removal Design	12,050.33	19,362.96	195,000.00	(175,637.04)	9.93%
2.J.3b · Source Removal Construction	3,396.83	9,358.16	230,000.00 *	(220,641.84)	4.07%
2.J.2c · Source Removal O & M	-	-	25,000.00	(25,000.00)	0.00%
2.J.3 · Source Removal Design & Construction	15,447.16	28,721.12	450,000.00	(421,278.88)	6.38%

**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget*	Variance	Percentage of Budget
2.J.4 · IM/RCRA Support					
2.J.4a · IM Work Plan(s)	3,347.72	19,685.55	75,000.00	(55,314.45)	26.25%
2.J.4b · Corrective Measures Study	244,182.39	388,155.33	1,311,000.00	(922,844.67)	29.61%
2.J.4d · Controlled Groundwater Area	-	-	258,000.00	(258,000.00)	0.00%
2.J.4g · Long-term Planning	776.55	776.55	100,000.00	(99,223.45)	0.78%
2.J.4h · Phase II RFI/Soil Characterization	19,445.63	28,836.60	210,000.00	(181,163.40)	13.73%
2.J.4j · Efforts to Avoid MBTA Non-Compliance	11,572.40	28,337.52	100,000.00	(71,662.48)	28.34%
2.J.4 · IM/RCRA Support	279,324.69	465,791.55	2,054,000.00	(1,588,208.45)	22.68%
2.J.5 · Design Management/Execution					
2.J.5a · Management/IM Development	84,007.42	176,837.54	390,000.00	(213,162.46)	45.34%
2.J.5b · Schedule	11,852.80	25,467.09	51,000.00	(25,532.91)	49.94%
2.J.5c · Financial Affairs and Reporting	23,784.45	46,784.80	115,000.00	(68,215.20)	40.68%
2.J.5d · Sub-contracting	7,707.68	15,333.12	31,000.00	(15,666.88)	49.46%
2.J.5f · Direct Expenses	4,279.27	9,610.25	30,000.00	(20,389.75)	32.03%
2.J.5h · Project Insurance Premium	-	101,950.60	105,000.00	(3,049.40)	97.10%
2.J.5j · IM Operations and Support	19,677.41	33,338.24	73,000.00	(39,661.76)	45.67%
2.J.5 · Design Management/Execution	151,309.03	409,321.64	795,000.00	(385,678.36)	51.49%
Total 2.J · Interim Measures	1,961,839.99	2,551,407.48	24,235,150.00	(21,683,742.52)	10.53%
2.K · Documents & Records					
2.K.1 · System Set-Up	618.50	2,169.89	23,500.00	(21,330.11)	9.23%
2.K.2 · System Maintenance	2,737.00	3,162.00	36,000.00	(32,838.00)	8.78%
Total 2.K · Documents & Records	3,355.50	5,331.89	59,500.00	(54,168.11)	8.96%
2.M · CERCLA Compliance	3,392.50	3,672.50	76,800.00	(73,127.50)	4.78%
2.N · Financial Affairs					
2.N.1 · Financial Affairs-CPA	5,390.30	12,921.08	45,000.00	(32,078.92)	28.71%
Total 2.N · Financial Affairs	5,390.30	12,921.08	45,000.00	(32,078.92)	28.71%
2.O · Redevelopment					
2.O.1 · Redevelopment Plans & Studies	-	-	10,000.00	(10,000.00)	0.00%
2.O.2 · Redevelopment Support	-	-	10,000.00	(10,000.00)	0.00%
2.O.3 · Redevelopment Issues	-	-	10,000.00	(10,000.00)	0.00%
Total 2.O · Redevelopment	-	-	30,000.00	(30,000.00)	0.00%

**Montana Environmental Custodial Trust**  
**East Helena Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget*	Variance	Percentage of Budget
2.P · Community Relations					
2.P.1 · General Meetings	-	-	4,000.00	(4,000.00)	0.00%
2.P.2 · RCRA Annual Public Meeting	-	1,477.50	4,000.00	(2,522.50)	36.94%
2.P.3 · East Helena Website	432.00	823.25	10,000.00	(9,176.75)	8.23%
2.P.5 · Other Community Relations	6,375.00	6,375.00	35,000.00	(28,625.00)	18.21%
Total 2.P · Community Relations	6,807.00	8,675.75	53,000.00	(44,324.25)	16.37%
2.R · Legal Support					
2.R.1 · Outside Counsel Fees & Expenses	3,696.25	9,071.02	67,080.00	(58,008.98)	13.52%
2.R.2 · In-House Legal Services	20,606.25	42,881.25	45,000.00	(2,118.75)	95.29%
Total 2.R · Legal Support Total	24,302.50	51,952.27	112,080.00	(60,127.73)	46.35%
2.T · Trustee Management & Support					
2.T.4 · GW and PPC Project Management	21,731.25	59,295.67	80,160.00	(20,864.33)	73.97%
2.T.6 · Compliance Manager	3,654.00	7,845.61	56,160.00	(48,314.39)	13.97%
2.T.7 · Operations Manager	22,067.50	46,686.25	87,750.00	(41,063.75)	53.20%
2.T.8 · Operations Support Specialist	-	-	36,265.00	(36,265.00)	0.00%
2.T.9 · Project Controls/Fin Affairs Coordinator	17,942.25	41,489.25	175,968.00	(134,478.75)	23.58%
2.T.11 · Trustee Mgmt. EH Clean Up	58,501.75	132,069.50	439,764.00	(307,694.50)	30.03%
2.T.12 · Trustee Land Use & Re-use	4,106.25	9,281.25	93,600.00	(84,318.75)	9.92%
2.T.13 · Trustee Travel and Directs	-	428.68	35,000.00	(34,571.32)	1.22%
Total 2.T · Trustee Management & Support Total	128,003.00	297,096.21	1,004,667.00	(707,570.79)	29.57%
Total expenses	2,171,327.54	3,045,060.22	26,261,992.00	(23,216,931.78)	11.59%
Change in net assets	(2,105,584.30)	(2,093,657.80)	(26,261,992.00)		
Net assets, beginning of period	71,698,683.26	71,686,756.76			
Net assets, end of period	<u>\$ 69,593,098.96</u>	<u>\$ 69,593,098.96</u>			

(1) 2014 net assets restated by \$55,536.76 for expenses incurred in 2014 but not received and recorded until after distribution of 4th quarter 2014 financial statements.

\*Represents 2015/2016 (two-year) approved budget

**Montana Environmental Custodial Trust**  
**Summary East Helena Clean-up Account**  
SUMMARY STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
2.RNT · Rental Income	\$ -	\$ -			
Investment income, net of fees	248,210.24	405,176.42			
Unrealized gains (losses)	(182,467.00)	546,226.00			
Total revenues (losses)	65,743.24	951,402.42			
Expenses:					
2.A · Water Treatment Plant	6,395.60	38,694.45	257,375.00	(218,680.55)	15.03%
2.B · General Site Operations	22,295.67	58,771.76	188,200.00	(129,428.24)	31.23%
2.C · Waste Disposal	486.27	765.27	21,200.00	(20,434.73)	3.61%
2.D · Slag Pile Reprocessing	-	-	20,000.00	(20,000.00)	0.00%
2.E · Tenants	500.00	500.00	5,700.00	(5,200.00)	8.77%
2.F · RCRA Compliance	8,559.21	15,271.56	103,320.00	(88,048.44)	14.78%
2.I · Risk Assessment	-	-	50,000.00	(50,000.00)	0.00%
2.J · Interim Measures	1,961,839.99	2,551,407.48	24,235,150.00	(21,683,742.52)	10.53%
2.K · Documents & Records	3,355.50	5,331.89	59,500.00	(54,168.11)	8.96%
2.M · CERCLA Compliance	3,392.50	3,672.50	76,800.00	(73,127.50)	4.78%
2.N · Financial Affairs	5,390.30	12,921.08	45,000.00	(32,078.92)	28.71%
2.O · Redevelopment	-	-	30,000.00	(30,000.00)	0.00%
2.P · Community Relations	6,807.00	8,675.75	53,000.00	(44,324.25)	16.37%
2.R · Legal Support	24,302.50	51,952.27	112,080.00	(60,127.73)	46.35%
2.T · Trustee Management & Staff	128,003.00	297,096.21	1,004,667.00	(707,570.79)	29.57%
Total expenses	2,171,327.54	3,045,060.22	26,261,992.00	(23,216,931.78)	11.59%
Change in net assets	(2,105,584.30)	(2,093,657.80)	(\$26,261,992.00)	\$23,216,931.78	7.97%
Net assets, beginning of period	71,698,683.26	71,686,756.76 <sup>(1)</sup>			
Net assets, end of period	\$ 69,593,098.96	\$ 69,593,098.96			

(1) 2014 net assets restated by \$55,536.76 for expenses incurred in 2014 but not received and recorded until after distribution of 4th quarter 2014 financial statements

**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of June 30, 2015*

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ASSETS

Current assets

Cash, First Interstate Bank	\$ 100,940.31
Prepaid expenses - DEQ	21,082.74
Due from other cost centers	<u>-</u>
Total current assets	122,023.05

Investments, JP Morgan Chase

Total assets	<u>6,044,966.30</u> <u><u>\$ 6,166,989.35</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 32,439.17
Due to other cost centers	<u>6,152.55</u>
Total current liabilities	38,591.72

Net assets

Total net assets and liabilities	<u>6,128,397.63</u> <u><u>\$ 6,166,989.35</u></u>
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**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**

STATEMENT OF ACTIVITIES

*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest income - DEQ	\$ 13.69	\$ 23.05			
Investment income, net of fees	13,795.82	19,987.20			
Unrealized gains (losses)	(4,442.00)	29,427.00			
Total revenues (losses)	9,367.51	49,437.25			
Expenses:					
4.1 MT DEQ Expenses					
4.A Personnel (MT DEQ)	4,623.75	7,945.10	31,765.00	(23,819.90)	25.01%
4.DEQ Direct & Indirect Expenses	1,252.46	1,830.92	8,653.00	(6,822.08)	21.16%
4.1 Total MT DEQ Expenses	5,876.21	9,776.02	40,418.00	(30,641.98)	24.19%
4.2 Other Expenses					
4.B Material, Supplies & Chemicals					
1-62244 Chemicals	7,177.39	28,645.03	74,500.00	(45,854.97)	38.45%
WTP Supplies	5,517.59	14,672.41	46,100.00	(31,427.59)	31.83%
4.B Material, Supplies & Chemicals	12,694.98	43,317.44	120,600.00	(77,282.56)	35.92%
4.C Operating Labor					
1-62102-01 WTS/Trust Management and Oversight	10,680.50	23,778.00	47,060.00	(23,282.00)	50.53%
1-62102-01a WTS/Construction Labor	5,328.75	7,570.50	25,480.00	(17,909.50)	29.71%
1-62102-02 GETG Trustee Oversight	4,509.00	6,614.25	25,050.00	(18,435.75)	26.40%
1-62102-22 WTP Technician/Operator	31,618.00	68,337.14	140,000.00	(71,662.86)	48.81%
1-62102-42 Hydrometrics Water Balance Study	686.00	686.00	2,000.00	(1,314.00)	34.30%
4.C Operating Labor	52,822.25	106,985.89	239,590.00	(132,604.11)	44.65%
4.D Other Professional Services/Labor (Routine)					
1-62102-31 PLC & Instrumentation Service (MET)	-	294.00	13,250.00	(12,956.00)	2.22%
1-62102-41 Storm Water Regulatory Compliance	-	-	1,500.00	(1,500.00)	0.00%
1-62102-204 Health & Safety Compliance	-	-	2,000.00	(2,000.00)	0.00%
1-62891 Handyman Charges	-	3,328.23	7,500.00	(4,171.77)	44.38%
1-62102-51 GHG Accounting	648.39	1,789.10	9,000.00	(7,210.90)	19.88%
1-62243 Weed Control	-	-	1,200.00	(1,200.00)	0.00%
4.D Other Professional Services/Labor	648.39	5,411.33	34,450.00	(29,038.67)	15.71%

**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
4.E WTP Operations - Analytical (Routine)					
1-62106-01 Energy Lab Testing (O&M Samples)	3,818.08	5,271.25	11,000.00	(5,728.75)	47.92%
1-62106-02 Linda Tangen Data Validation (O&M)	-	1,413.58	3,500.00	(2,086.42)	40.39%
1-62106-03 Energy Lab Testing (Repositories)	-	-	2,500.00	(2,500.00)	0.00%
4.E WTP Operations - Analytical	3,818.08	6,684.83	17,000.00	(10,315.17)	39.32%
4.F WTP Operations - Utilities (Routine)					
1-62186 Waste Disposal	4,610.75	5,878.01	10,944.00	(5,065.99)	53.71%
1-62371 Telephone	1,222.88	2,069.99	6,180.00	(4,110.01)	33.49%
1-62601 Electricity	15,417.02	27,620.82	51,765.00	(24,144.18)	53.36%
1-62605 Water & Sewage	400.00	600.00	2,500.00	(1,900.00)	24.00%
1-62606 Garbage & Trash	270.30	600.60	1,800.00	(1,199.40)	33.37%
1-62607 Propane	2,252.50	8,135.00	26,000.00	(17,865.00)	31.29%
4.F WTP Operations - Utilities	24,173.45	44,904.42	99,189.00	(54,284.58)	45.27%
4.H Projects & Construction					
1-62102-01 Unforeseen Repairs	(59,074.50)	(53,190.26)	59,501.00	(112,691.26)	-89.39%
1-62102-28 Operational Troubleshooting & Support (CDM)	-	-	-	-	0.00%
1-62102-233 Building Repairs (Corrosion Damage)	-	-	-	-	0.00%
1-63113-03 Spare Parts	1,239.41	12,023.70	25,000.00	(12,976.30)	48.09%
1-63113-20 Finalize O&M Manual	-	-	-	-	0.00%
1-63113-31 Replace Bearings,Seals & Laser Align CMF & CIP Pumps	-	-	-	-	0.00%
1-63113-37 Upper Seep Expansion	-	-	-	-	0.00%
1-63113-38 Install 3-way Solenoid Valves/New AL Header on CMF	-	-	3,400.00	(3,400.00)	0.00%
1-63113-39 Larger Air Diaphragm Pump & HDPE Piping	6,778.28	6,778.28	6,800.00	(21.72)	99.68%
1-63113-40 Upgrade PLC MMI & Operating System	-	13,172.00	17,200.00	(4,028.00)	76.58%
1-63113-41 Purchase/install 2nd Shipping Container	2,465.89	2,465.89	7,500.00	(5,034.11)	32.88%
1-63113-42 Purchase Replacement Tire Chains for 924 Loader	-	-	1,500.00	(1,500.00)	0.00%
1-63113-43 Fabricate Bucket Decon Area for 924 Loader	-	-	-	-	0.00%
1-63113-44 Rent Frac Tank and Set Pumping/Controls	-	-	-	-	0.00%
1-63113-45 Fabricate/Install Sludge Storage Bin Under Awning	461.65	12,179.97	13,300.00	(1,120.03)	91.58%
1-63113-46 Install PLC Remote I/O Ether Net Cable	-	-	4,500.00	(4,500.00)	0.00%
1-62102-44 Hydro: Remediation Oversight (Upper Seep)	-	-	-	-	0.00%
1-62102-45 Install Monitoring Well at Carbon Reposit	876.21	876.21	19,551.00	(18,674.79)	4.48%
1-62102-46 Hydro: Remediation Oversight (Repository Removal)	-	-	-	-	0.00%
1-63113-302 Sludge TCLP Fails for Cadmium	-	-	-	-	0.00%
1-63113-304 Remediation Support	-	-	9,750.00	(9,750.00)	0.00%
4.H Projects & Construction	(47,253.06)	(5,694.21)	168,002.00	(173,696.21)	-3.39%
4.2 Total Other Expenses	46,904.09	201,609.70	678,831.00	(477,221.30)	29.70%

**Montana Environmental Custodial Trust**  
**Mike Horse/UBMC Clean-up Account**

STATEMENT OF ACTIVITIES

*For the quarter and period ending June 30, 2015*

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	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
Total expenses	<u>52,780.30</u>	<u>211,385.72</u>	<u>719,249.00</u>	<u>(507,863.28)</u>	<u>29.39%</u>
Change in net assets	<u>(43,412.79)</u>	<u>(161,948.47)</u>	<u>(719,249.00)</u>	<u>507,863.28</u>	<u>22.52%</u>
Net assets, beginning of period	<u>6,171,810.42</u>	<u>6,290,346.10</u>			
Net assets, end of period	<u>\$ 6,128,397.63</u>	<u>\$ 6,128,397.63</u>			



# Montana Environmental Custodial Trust

## Black Pine Clean-up Account

### STATEMENT OF FINANCIAL POSITION

*As of June 30, 2015*

ASSETS	
Current assets	
Cash, First Interstate Bank	\$ 12,952.25
Money Market	115,738.07
Prepaid expenses - DEQ	36,640.91
Total current assets	<u>165,331.23</u>
Investments, JP Morgan Chase	<u>16,162,621.22</u>
Total assets	<u><u>\$ 16,327,952.45</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 2,307.13
Due to other cost centers	-
Total current liabilities	<u>2,307.13</u>
Net assets	<u>16,325,645.32</u>
Total net assets and liabilities	<u><u>\$ 16,327,952.45</u></u>

**Montana Environmental Custodial Trust**  
**Black Pine Clean-up Account**  
STATEMENT OF ACTIVITIES  
*For the quarter and period ending June 30, 2015*

	2nd QTR	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ 182.16	\$ 323.49			
Interest Income - MM	28.85	57.37			
Investment income, net of fees	62,765.82	109,107.74			
Unrealized gains (losses)	(52,567.00)	10,470.00			
Total revenues (losses)	10,409.83	119,958.60			
Expenses:					
5.1 Costs Paid Directly by Trustee from Clean-up Account					
2-2-01 Trustee Services/Expenses-Cox	-	32.50	1,000.00	(967.50)	3.25%
2-2-02 Trustee Services/Expenses-GETG	218.25	359.25	5,000.00	(4,640.75)	7.19%
2-2-03 Mine Maintenance/Security	3,906.00	8,463.00	16,926.00	(8,463.00)	50.00%
2-2-04 Generator Maintenance	-	-	4,000.00	(4,000.00)	0.00%
2-2-51 Accounting Services	324.18	932.85	5,000.00	(4,067.15)	18.66%
2-62401 Mileage	594.73	1,106.63	2,350.60	(1,243.97)	47.08%
2-62405 Snowmobile	-	322.50	907.50	(585.00)	35.54%
5.1.1 Utilities					
2-62601 Electricity	1,844.89	3,775.64	6,500.00	(2,724.36)	58.09%
2-62607 Propane	413.23	413.23	2,840.00	(2,426.77)	14.55%
5.1.1 Utilities Total	2,258.12	4,188.87	9,340.00	(5,151.13)	44.85%
5.1 Trustee Costs Total	7,301.28	15,405.60	44,524.10	(29,118.50)	34.60%
5.2 DEQ Costs	324,731.16	451,258.23 (1)	1,253,291.00	(802,032.77)	36.01%
Total expenses	332,032.44	466,663.83	1,297,815.10	(831,151.27)	35.96%
Change in net assets	(321,622.61)	(346,705.23)	\$ (1,297,815.10)	\$ 831,151.27	26.71%
Net assets, beginning of period	16,647,267.93	16,672,350.55			
Net assets, end of period	\$ 16,325,645.32	\$ 16,325,645.32			

(1) See the supplemental schedule provided by the Montana Department of Environmental Quality for details of 5.2 DEQ Costs

# Black Pine Mine Custodial Trust Expense Tracking

## Budget request 2015

Jan-Feb 2015  
Apr-Jun 2015  
July-Sep 2015  
Oct-Dec 2015

## Expenses in 2015

## 2015 Budget request balance remaining

Personnel	Fringe	Travel	Equipment	Supplies	Contractual	Construction	Other	Total Direct	Indirect	Totals
\$ 92,041.00	\$ 27,613.00	\$ 13,850.00	\$ 5,000.00		\$ 305,479.00	\$ 734,895.00	\$ 4,425.00	\$ 1,183,303.00	\$ 69,988.00	\$ 1,253,291.00
\$ 15,202.64	\$ 5,453.89	\$ 725.93		\$ 23.05	\$ 51,796.11	\$ 42,999.00	\$ 2,231.73	\$ 118,432.35	\$ 8,094.72	\$ 126,527.07
\$ 17,700.90	\$ 5,780.17	\$ 1,631.00			\$ 105,504.85	\$ 176,993.86	\$ 779.28	\$ 308,390.06	\$ 16,341.10	\$ 324,731.16
								\$ -		
								\$ -		
\$ 32,903.54	\$ 11,234.06	\$ 2,356.93	\$ -	\$ 23.05	\$ 157,300.96	\$ 219,992.86	\$ 3,011.01	\$ 426,822.41	\$ 24,435.82	\$ 451,258.23
\$ 59,137.46	\$ 16,378.94	\$ 11,493.07	\$ 5,000.00	\$ (23.05)	\$ 148,178.04	\$ 514,902.14	\$ 1,413.99	\$ 756,480.59	\$ 45,552.18	\$ 802,032.77

**Montana Environmental Custodial Trust**  
**Iron Mountain Clean-up Account**

STATEMENT OF FINANCIAL POSITION

*As of June 30, 2015*

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ASSETS	
Current assets	
Cash	\$ 715.00
Total current assets	<u>-</u>
Investments, JP Morgan Chase	<u>2,000,557.37</u>
Total assets	<u><u>\$ 2,001,272.37</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 2,250.75
Net assets	<u>1,999,021.62</u>
Total net assets and liabilities	<u><u>\$ 2,001,272.37</u></u>

**Montana Environmental Custodial Trust**  
**Iron Mountain Clean-up Account**

STATEMENT OF ACTIVITIES

*For the period ending June 30, 2015*

	YTD	Approved Budget	Variance	Percentage of Budget
Revenues:				
Investment income, net of fees	\$ 11,067.75			
Unrealized gains (losses)	4,967.00			
Total revenues (losses)	16,034.75			
Expenses:				
VI.A Clean-up Activities				
VI.A.1 GETG Trustee Fees	-	6,192.00	(6,192.00)	0.00%
VI.A.2 GETG/Trustee Expenses	-	250.00	(250.00)	0.00%
VI.A Total Clean-up Activities	-	6,442.00	(6,442.00)	0.00%
VI.C Legal Affairs				
VI.C.1 Outside Counsel	-	2,000.00	(2,000.00)	0.00%
VI.C Total Legal Affairs	-	2,000.00	(2,000.00)	0.00%
VI.D Financial Affairs				
VI.D.1 GHG Fees & Expenses	-	1,800.00	(1,800.00)	0.00%
VI.D Total Financial Affairs	-	1,800.00	(1,800.00)	0.00%
Total expenses	-	10,242.00	(10,242.00)	0.00%
Change in net assets	16,034.75	(10,242.00)	10,242.00	-156.56%
Net assets, beginning of period	1,982,986.87	(1)		
Net assets, end of period	\$ 1,999,021.62			

(1) 2014 net assets restated by \$190.00 for expenses incurred in 2014 but not received and recorded until after distribution of 4th quarter 2014 financial statements